

## § 1980.852

Trade Commission, Equal Credit Opportunity, Washington, DC 20580.”

[55 FR 11139, Mar. 27, 1990, as amended at 56 FR 29171, June 26, 1991]

### **§ 1980.852 FmHA or its successor agency under Public Law 103-354 evaluation of application.**

(a) FmHA or its successor agency under Public Law 103-354 will complete Form FmHA or its successor agency under Public Law 103-354 1942-45, “Project Summary—Water and Waste Disposal and other Utility-type Projects,” or Form FmHA or its successor agency under Public Law 103-354 1942-43, “Project Summary Community Facilities (Other Than Utility-type Projects),” as appropriate. The application will be evaluated and a determination made as to whether the borrower is eligible, the proposed loan is for an eligible purpose, and there is reasonable assurance of repayment ability, sufficient collateral and equity, the proposed loan complies with all applicable statutes and regulations, and adequate funds are available. The FmHA or its successor agency under Public Law 103-354 Architect/Engineer will review the Preliminary Architect/Engineer reports and provide technical analysis and recommendations on the appropriate Project Summary. If FmHA or its successor agency under Public Law 103-354 determines it is unable to guarantee the loan, the lender will be informed in writing. Such notification will include the reasons for denial of the guarantee. If FmHA or its successor agency under Public Law 103-354 conditionally commits to guaranteeing the loan after the receipt of a completed application in accordance with §1980.47 of subpart A of this part, it will provide the lender and the borrower with Form FmHA or its successor agency under Public Law 103-354 449-14, listing all conditions for such guarantees. FmHA or its successor agency under Public Law 103-354 will include in the requirements of the Conditional Commitment for Guarantee a full description of the approved use of guaranteed loan funds as reflected in the Form FmHA or its successor agency under Public Law 103-354 1980-10.

(b) Within 30 days after the Form FmHA or its successor agency under

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Public Law 103-354 449-14 has been accepted, the State Director will send to the National Office, Attention: Community Facilities Division or Water and Waste Disposal Division, as appropriate, the following documents:

(1) A copy of Form FmHA or its successor agency under Public Law 103-354 1942-43 or FmHA or its successor agency under Public Law 103-354 1942-45.

(2) A copy of Form FmHA or its successor agency under Public Law 103-354 449-14 (with attachments) as accepted by the lender and borrower.

(3) A copy of the proposed loan agreement between the lender and the borrower.

(4) A copy of Form FmHA or its successor agency under Public Law 103-354 1980-10.

The cover memorandum should indicate whether the Form FmHA or its successor agency under Public Law 103-354 449-34 has been issued. If the Loan Note Guarantee has been issued, enclose a copy of the Lender Certification required by §1980.60(a) of subpart A of this part, and, if not, a proposed date for issuance of the Form FmHA or its successor agency under Public Law 103-354 449-34.

[56 FR 29172, June 26, 1991]

### **§ 1980.853 Loan approval and obligating funds.**

The State Director will prepare an original and two copies of Form FmHA or its successor agency under Public Law 103-354 1940-3, “Request for Obligation of Funds—Guaranteed Loans” for each loan to be obligated. Also, for each initial loan, Form FmHA or its successor agency under Public Law 103-354 1980-50, “Add, Delete, or Change Guaranteed Loan Borrower Information,” will be prepared. The State Director will sign the original and one copy and conform the second copy. Form FmHA or its successor agency under Public Law 103-354 1940-3 will not be mailed to the Finance Office. Notice of approval to lender will be accomplished by providing or sending the lender the signed copy of Forms FmHA or its successor agency under Public Law 103-354 1940-3 and 449-14 on the obligation date, unless the Administrator has given prior authorization to the Finance Office to obligate before the 6-

day reservation period and directs the State Director to forward Form FmHA or its successor agency under Public Law 103-354 1940-3 to the lender in advance of issuance of Form FmHA or its successor agency under Public Law 103-354 449-14. The State Director or designee will record the actual date of lender notification on the original of the Form FmHA or its successor agency under Public Law 103-354 1940-3 and retain the original of the form and the remaining conformed copy of Form FmHA or its successor agency under Public Law 103-354 1940-3. The State Director or designee will use the State Office terminal to request reservation/obligation of funds. Use of the telephone for the reservation/obligation of funds is restricted to those instances when the State Office terminal is inoperative. Form FmHA or its successor agency under Public Law 103-354 1980-50 will be prepared and distributed for initial loans only.

(a) Immediately after contacting the Finance Office, the requesting official will furnish the requesting office's security identification code. Failure to furnish the security code will result in rejection of the request for reservation of authority. After the security code is furnished, all pertinent information contained on Form FmHA or its successor agency under Public Law 103-354 1940-3 will be furnished to the Finance Office. Upon receipt of the telephone request for reservation of authority, the Finance Office will record all information necessary to process the request for reservation in addition to the date and time of the request.

(b) The individual making the telephone request will record the date and time of the telephone request and place his/her signature in section 41 of Form FmHA or its successor agency under Public Law 103-354 1940-3.

(c) The Finance Office will terminally process telephone reservation requests. Those requests for reservations received before 2:30 p.m. Central Time, to the extent possible, will be processed on the date received; however, there may be instances in which the reservation will be processed on the next working day.

(d) Each working day the Finance Office will notify the State Office by tele-

phone of all projects for which authority was reserved during the previous night's processing cycle and the date of obligation. If authority cannot be reserved for a project, the Finance Office will notify the State Office that authority is not available within the State allocation. The obligation date will be 6 working days from the date of the request for reservation of authority which is being processed in the Finance Office. Immediately after notification by telephone of the reservation of authority, the State Director will call the Legislative Affairs and Public Information Staff in the National Office as required by FmHA or its successor agency under Public Law 103-354 Instruction 2015-C (available in any FmHA or its successor agency under Public Law 103-354 office).

[55 FR 11139, Mar. 27, 1990, as amended at 56 FR 8271, Feb. 28, 1991; 56 FR 29172, June 26, 1991]

#### **§ 1980.854 Projects requiring National Office review.**

(a) The following will be submitted to the National Office when the loan guarantee is not within the State Director's approval authority.

(1) Transmittal memorandum including:

- (i) Recommendation.
- (ii) Date of expected obligation.
- (iii) Any unusual circumstances.
- (2) Preapplication package.
- (3) Application package.

(4) Project Summary (Form FmHA or its successor agency under Public Law 103-354 1942-45 or 1942-43).

(b) For applications to be reviewed in the field, at least those items in paragraphs (a)(2) through (4) of this section, should be available.

[55 FR 11139, Mar. 27, 1990, as amended at 56 FR 29172, June 26, 1991]

#### **§ 1980.855 Review of requirements.**

(a) Immediately after reviewing the conditions and requirements in Form FmHA or its successor agency under Public Law 103-354 449-14, the lender and borrower should complete and sign the "Acceptance of Conditions," and return a copy to the FmHA or its successor agency under Public Law 103-354 District Director. If certain conditions cannot be met, the lender and borrower